



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

1301 Young Street, Room 732
Dallas, TX 75202
PHONE: (214) 767-3261
FAX: (214) 767-3264
EMAIL: CAS-Dallas@psc.hhs.gov

April 17, 2017

Kathleen Thomason
Interim Comptroller
Purdue University
Kurz Purdue Technology Center
1281 Win Hentschel Blvd, STE 1100
West Lafayette, IN 47906-4182

Dear Ms. Thomason:

A copy of the indirect cost Rate Agreement is being sent to you for signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for F&A and fringe benefit costs on grants and contracts with the Federal Government.

Please have the Agreement signed by an authorized representative of your organization, email to me, retaining a copy for your files. Our email address is cas-dallas@psc.hhs.gov. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each institution on components for the published F&A cost rates. The attached form(s) are provided for that purpose. Please sign the form(s) and return them with the agreement.

An F&A cost proposal, together with supporting information, are required to substantiate your claim for F&A costs under grants and contracts awarded by the Federal Government. Thus your next F&A cost proposal for fiscal year ending June 30, 2020 is due in our office by December 31, 2020.

Sincerely,

Arif M.
Karim -A

Digitally signed by Arif M. Karim -A
DN: c=US, o=U.S. Government, ou=HHS,
ou=PSC, ou=People, cn=Arif M. Karim -A,
0.9.2342.19200300.100.1.1=2000212895
Date: 2017.04.26 23:05:34 -0500

Arif Karim
Director
Cost Allocation Services

Enclosures

PLEASE SIGN AND RETURN VIA EMAIL A COPY OF THE RATE AGREEMENT

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1356002041A1

DATE:04/17/2017

ORGANIZATION:

FILING REF.: The preceding agreement was dated 02/07/2014

Purdue University
Office of the Comptroller
Kurz Purdue Technology Center
1281 Win Hentschel Blvd, STE 1100
West Lafayette, IN 47906-4182

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: Facilities And Administrative Cost Rates

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2014	06/30/2017	55.00	On Campus	Organized Research
PRED.	07/01/2014	06/30/2017	54.00	On Campus	Instruction
PRED.	07/01/2014	06/30/2017	38.00	On Campus	Other Sponsored Activities
PRED.	07/01/2013	06/30/2017	26.00	Off Campus	All Programs
PRED.	07/01/2017	06/30/2021	55.00	On Campus	Organized Research
PRED.	07/01/2017	06/30/2021	54.00	On Campus	Instruction
PRED.	07/01/2017	06/30/2021	38.00	On Campus	Other Sponsored Activities
PRED.	07/01/2017	06/30/2021	26.00	Off Campus	All Programs
PROV.	07/01/2021	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2021.

ORGANIZATION: Purdue University

AGREEMENT DATE: 4/17/2017

*BASE

Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

ORGANIZATION: Purdue University

AGREEMENT DATE: 4/17/2017

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

ORGANIZATION: Purdue University

AGREEMENT DATE: 4/17/2017

EQUIPMENT DEFINITION:

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

FRINGE BENEFITS:

FICA

403(b) Defined Contribution Plan

Retirement

Worker's Compensation

Life Insurance

Unemployment Insurance

Health Insurance

Staff and Grad Staff Tuition Remission

Disability Insurance

Liability and Fidelity Insurance

The MTDC exclusion for rental costs relates to building/space rental costs, not equipment rental costs, unless the equipment rental cost is significantly high and may skew the distribution of indirect costs such as an item of equipment costing over \$10,000 in rental costs.

Per 2 CFR 200.414(g) - A rate extension has been granted.

Next Proposal Due:

The next indirect cost proposal based on actual costs for the fiscal year ending 06/30/2020, is due by 12/31/2020.

The off campus Purdue University rates cited above apply also to the Purdue International, Inc., EIN# 31-0958507

ORGANIZATION: Purdue University

AGREEMENT DATE: 4/17/2017

SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

Purdue University

(INSTITUTION)

Kathleen Thomason

(SIGNATURE)

Kathleen Thomason

(NAME)

INTERIM COMPTROLLER

(TITLE)

5/1/17

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Arif M. Karim - A Digitally signed by Arif M. Karim - A
DN: c=US, ou=U.S. Government, ou=HHS, ou=PSC, ou=People,
cn=Arif M. Karim - A, o=9.2342.19200300.100.1, 1=200212895
Date: 2017.04.26 23:03:10 -0500

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

4/17/2017

(DATE) 5043

HHS REPRESENTATIVE: Matthew Dito

Telephone: (214) 767-3261

COMPONENTS OF PUBLISHED F&A COST RATE

INSTITUTION: **Purdue University**
FY COVERED BY RATE: **JULY 1, 2017 through JUNE 30, 2021**
APPLICABLE TO: **ORGANIZED RESEARCH**

<u>RATE COMPONENT:</u>	<u>ON CAMPUS</u>	<u>OFF CAMPUS</u>
Building Depreciation	5.3	
Equipment Depreciation	5.2	
Interest	1.2	
Operation & Maintenance	15.8	
Library	1.5	
Utility Cost Allowance	0.0	
Administration*	<u>26.0</u>	<u>26.0</u>
TOTAL	<u><u>55.0</u></u>	<u><u>26.0</u></u>

* Reflects provisions of Appendix III to Part 200 of Uniform Guidance—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), C.8. dated December 26, 2013.

CONCURRENCE:

Purdue University
(Institution)

Kathleen Thomason
(Signature)

Kathleen Thomason
(Name)

INTERIM COMPTROLLER
(Title)

5/1/17
(Date)